



Office of the Secretary

UNITED STATES OF AMERICA  
FEDERAL TRADE COMMISSION  
WASHINGTON, D.C. 20580

June 22, 2004

Ronald S. Rolfe  
Robin C. Landis  
Cravath, Swaine & Moore LLP  
Worldwide Plaza  
825 Eighth Avenue  
New York, New York 10019-7475

Re: *Proposed Merger Between RJ Reynolds Tobacco Holdings, Inc. and British American Tobacco p.l.c., FTC File No. 041 0017*

Dear Mr. Rolfe and Mr. Landis:

The Federal Trade Commission has conducted a nonpublic investigation to determine whether the proposed merger of RJ Reynolds Tobacco Holdings, Inc. and British American Tobacco p.l.c. may violate Section 7 of the Clayton Act or Section 5 of the Federal Trade Commission Act.

Upon further review of this matter, it now appears that no additional action is warranted by the Commission at this time. Accordingly, the investigation has been closed. This action is not to be construed as a determination that a violation may not have occurred, just as the pendency of an investigation should not be construed as a determination that a violation has occurred. The Commission reserves the right to take such further action as the public interest may require.

By direction of the Commission, Commissioner Harbour recused.

Donald S. Clark  
Secretary